

State Dept. review
completed

NSC BRIEFING

13 August 1958

DIA review(s) completed.

TAIWAN STRAITS

- I. Situation in Taiwan Straits continues to develop as outlined last week--it does not look as if either the Communists or the Nationalists intend to open major hostilities now.**
 - A. There are still no indications that Communist ground or naval forces in East China plan to attack the offshore islands.**
 - B. Communist propaganda on Taiwan has dropped off noticeably in last two weeks.**
 - 1. Despite emphasis on "Liberate Taiwan" theme in late July, it actually never approached the intensity of the propaganda drive in 1954.**

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- III. Achievement of air superiority over Straits would put Chicoms in tactical position to probe for Chinat and US reaction by interdiction supplies to offshore islands or by attack on one of smaller islands.
- A. Tension may also be part of Peiping's political strategy to win position in international councils. Chinats see Chicoms trying to frighten West into admitting Peiping to UN.

B. Chinat fighter patrols still are under orders to avoid combat whenever possible.

1. However, Nationalist air patrols in squadron strength are still being carried out over the Taiwan Strait and a major engagement could occur at any time.

V. Ambassador Drumright believes it unlikely that Nationalists will bomb or otherwise attack the mainland unless the offshore islands are directly attacked.

A. The air attache has been informed by his Nationalist air force contacts that no attack on the airfields will be launched unless the Communists assault the offshore islands.

B. Former Foreign Minister George Yeh has said that Minister of Defense Yu Ta-wei has stopped certain rash acts planned by military "hotheads."

C. Nationalist navy now planning supply offshore islands at night.

VI. The Nationalists seem equally concerned with the psychological threat posed by the Communist action as with the military threat.

A. In order to reassure Taiwan population Minister of Defense Yu has asked US to publicize plans for a Seventh Fleet air defense exercise in the Taiwan area and plans to provide Nationalist air force with Sidewinder air-to-air missiles.

1. These missiles will greatly increase Chinat capabilities, could encourage them to adopt bolder--and more dangerous--air combat policy.

B. [redacted] what Nationalists really want is public US commitment defend offshore islands.

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